

## ENTERPRISE FUNDS

ENTERPRISE FUNDS ARE USED TO ACCOUNT FOR OPERATIONS THAT ARE FINANCED AND OPERATED IN A MANNER SIMILAR TO PRIVATE BUSINESS ENTERPRISES--WHERE THE INTENT OF THE GOVERNING BODY IS THAT THE COSTS OF PROVIDING GOODS OR SERVICES TO THE GENERAL PUBLIC ON A CONTINUING BASIS BE FINANCED OR RECOVERED PRIMARILY THROUGH USER CHARGES; OR WHERE THE GOVERNING BODY HAS DECIDED THAT PERIODIC DETERMINATION OF NET INCOME IS APPROPRIATE FOR ACCOUNTABILITY PURPOSES.

### **AIRPORT FUND**

THIS FUND IS USED TO ACCOUNT FOR THE MAINTENANCE, OPERATIONS AND DEVELOPMENT OF COUNTY AIRPORTS. A MAJOR OBJECTIVE OF THE AIRPORT PROGRAM IS TO PURCHASE AND DEVELOP AIRPORT PROPERTY IN ORDER TO CREATE TAX REVENUES AND CREATE JOBS IN THE PRIVATE SECTOR.

### **LIQUID WASTE FUND**

THIS FUND IS USED TO ACCOUNT FOR OPERATIONAL SERVICES AND SUPPORT PROVIDED TO SANITATION DISTRICTS GOVERNED BY THE COUNTY BOARD OF SUPERVISORS.

### **TRANSIT FUND**

THIS FUND IS USED TO ACCOUNT FOR THE OPERATIONS, MAINTENANCE AND DEVELOPMENT OF A RURAL TRANSIT SYSTEM AND TRANSIT RELATED PROJECTS.

### **SANITATION DISTRICTS FUNDS**

THESE FUNDS ARE USED TO ACCOUNT FOR THE ACTIVITIES OF ALL INDIVIDUAL SANITATION DISTRICTS GOVERNED BY THE COUNTY BOARD OF SUPERVISORS.

**ENTERPRISE FUNDS**  
**COMBINING BALANCE SHEET**  
**June 30, 2001**  
**With Comparative Figures for June 30, 2000**  
**(In Thousands)**

**STATEMENT 6**

|  | AIRPORT          | LIQUID<br>WASTE | TRANSIT      |
|--|------------------|-----------------|--------------|
| <b>ASSETS</b>  |                  |                 |              |
| Equity in Pooled Cash and Investments  | \$ 5,048         | 1,427           | 2,822        |
| Collections in Transit   | 3                |                 | 1            |
| Imprest Cash   | 1                | 1               |              |
| Accounts and Notes Receivable  | 104              | 28              | 276          |
| Due from Other Funds   | 746              | 332             | 39           |
| Advances to Other Funds  | 9,637            |                 |              |
| Inventory of Materials and Supplies  | 72               | 46              |              |
| Equipment, Net of Allowance for Depreciation<br>of \$45,583 in 2001 (\$43,085 in 2000) | 20,962           | 72              | 4,312        |
| <b>Total Assets</b>  | <b>\$ 36,573</b> | <b>1,906</b>    | <b>7,450</b> |
| <b>LIABILITIES AND FUND EQUITY</b>   |                  |                 |              |
| Liabilities:   |                  |                 |              |
| Accounts Payable   | \$ 177           | 5               | 1,558        |
| Accrued Payroll  | 62               | 77              |              |
| Accrued Interest   |                  |                 |              |
| Due to Other Funds   | 296              | 142             | 64           |
| Advances from Other Funds  |                  |                 |              |
| Due to Other Governments   |                  |                 | 1,417        |
| Deferred Revenue   | 14               |                 | 88           |
| Long-Term Debt Payable   | 110              | 168             |              |
| <b>Total Liabilities</b>   | <b>659</b>       | <b>392</b>      | <b>3,127</b> |
| Fund Equity:   |                  |                 |              |
| Contributed Capital:   |                  |                 |              |
| Grants and Contributions   | 15,922           | 695             | 10,784       |
| Accumulated Depreciation on Grant<br>Funded Fixed Assets                               |                  |                 | (6,036)      |
| Retained Earnings: (Statement 6A)  |                  |                 |              |
| Unreserved   | 19,992           | 819             | (425)        |
| <b>Total Fund Equity</b>   | <b>35,914</b>    | <b>1,514</b>    | <b>4,323</b> |
| <b>Total Liabilities and Fund Equity</b>   | <b>\$ 36,573</b> | <b>1,906</b>    | <b>7,450</b> |

(Cont)

**ENTERPRISE FUNDS**  
**COMBINING BALANCE SHEET**  
**June 30, 2001**  
**With Comparative Figures for June 30, 2000**  
**(In Thousands)**

|  |            | STATEMENT 6 (Cont) |         |
|--|------------|--------------------|---------|
|  |            | TOTALS             |         |
| SANITATION DISTRICTS   |            | 2001               | 2000    |
| ASSETS   |            |                    |         |
| Equity in Pooled Cash and Investments  | \$ 58,365  | 67,662             | 61,482  |
| Collections in Transit   | 3          | 7                  | 46      |
| Imprest Cash   |            | 2                  | 2       |
| Accounts and Notes Receivable  |            | 408                | 1,574   |
| Due from Other Funds   | 855        | 1,972              | 2,086   |
| Advances to Other Funds  | 135        | 9,772              | 3,871   |
| Inventory of Materials and Supplies  |            | 118                | 119     |
| Equipment, Net of Allowance for Depreciation<br>of \$43,085 in 2000 (\$40,345 in 1999) | 42,766     | 68,112             | 70,386  |
| Total Assets   | \$ 102,124 | 148,053            | 139,566 |
| LIABILITIES AND FUND EQUITY  |            |                    |         |
| Liabilities:   |            |                    |         |
| Accounts Payable   | \$ 51      | 1,791              | 1,565   |
| Accrued Payroll  |            | 139                | 144     |
| Accrued Interest   |            |                    | 1       |
| Due to Other Funds   | 239        | 741                | 2,404   |
| Advances from Other Funds  | 314        | 314                | 331     |
| Due to Other Governments   |            | 1,417              | 99      |
| Deferred Revenue   |            | 102                | 276     |
| Long-Term Debt Payable   | 225        | 503                | 716     |
| Total Liabilities  | 829        | 5,007              | 5,536   |
| Fund Equity:   |            |                    |         |
| Contributed Capital:   |            |                    |         |
| Grants and Contributions   | 23,091     | 50,492             | 50,492  |
| Accumulated Depreciation on Grant<br>Funded Fixed Assets                               |            | (6,036)            | (6,036) |
| Retained Earnings: (Statement 6A)  |            |                    |         |
| Unreserved   | 78,204     | 98,590             | 89,574  |
| Total Fund Equity  | 101,295    | 143,046            | 134,030 |
| Total Liabilities and Fund Equity  | \$ 102,124 | 148,053            | 139,566 |
| (Statement 1A)   |            |                    |         |

(Statement 1A)

**ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS**  
**Year Ended June 30, 2001**  
**With Comparative Figures for June 30, 2000**  
**(In Thousands)**

**STATEMENT 6A**

|   | AIRPORT          | LIQUID<br>WASTE | TRANSIT       |
|---|------------------|-----------------|---------------|
| <b>Operating Revenues:</b>                              |                  |                 |               |
| Charges for Services                                    | \$ 5,424         | 3,772           | 11,843        |
| <b>Operating Expenses:</b>                              |                  |                 |               |
| Salaries  | 1,604            | 2,198           |               |
| Repairs and Maintenance                                 | 446              | 120             | 655           |
| Equipment Rental  | 198              | 378             |               |
| Sewage Processing                                       |                  |                 |               |
| Contracted Services                                     | 2,505            | 792             | 10,613        |
| Depreciation  | 745              | 16              | 586           |
| Utilities   | 113              |                 |               |
| Other   | 845              | 236             | 754           |
| <b>Total Operating Expenses</b>                         | <b>6,456</b>     | <b>3,740</b>    | <b>12,608</b> |
| Operating Income (Loss)                                 | (1,032)          | 32              | (765)         |
| <b>Nonoperating Revenues:</b>                           |                  |                 |               |
| Interest  | 327              | 216             | 191           |
| Taxes   |                  |                 |               |
| Grants  | 1,180            |                 |               |
| Gain on Disposal of Equipment                           |                  |                 | 6             |
| Other   |                  |                 |               |
| <b>Total Nonoperating Revenues</b>                      | <b>1,507</b>     | <b>216</b>      | <b>197</b>    |
| <b>Nonoperating Expenses:</b>                           |                  |                 |               |
| Interest on Long-Term Debt                              |                  |                 |               |
| Loss on Disposal of Equipment                           | 32               |                 |               |
| Other   |                  |                 |               |
| <b>Total Nonoperating Expenses</b>                      | <b>32</b>        |                 |               |
| Nonoperating Income (Loss)                              | 1,475            | 216             | 197           |
| Income (Loss) Before Contributions and Transfers        | 443              | 248             | (568)         |
| Capital Contributions                                   |                  |                 | (435)         |
| Operating Transfers In                                  | 549              | 207             |               |
| Operating Transfers (Out)                               | (431)            | (120)           |               |
| Net Income (Loss)                                       | 561              | 335             | (1,003)       |
| Depreciation on Grant Funded Fixed Assets               |                  |                 | 586           |
| Increase (Decrease) in Retained Earnings                | 561              | 335             | (417)         |
| <b>Retained Earnings</b>                                |                  |                 |               |
| Beginning Balance                                       | 19,431           | 484             | (8)           |
| <b>Retained Earnings - Ending Balance (Statement 6)</b> | <b>\$ 19,992</b> | <b>819</b>      | <b>(425)</b>  |

(Cont)

See Accompanying Independent Auditors' Report

**ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS**  
**Year Ended June 30, 2001**  
**With Comparative Figures for June 30, 2000**  
**(In Thousands)**

|   | SANITATION<br>DISTRICTS | STATEMENT 6A (Cont) |               |
|---|-------------------------|---------------------|---------------|
|   |                         | TOTALS              |               |
|   |                         | 2001                | 2000          |
| <b>Operating Revenues:</b>                              |                         |                     |               |
| Charges for Services                                    | \$ 12,209               | 33,248              | 40,030        |
| <b>Operating Expenses:</b>                              |                         |                     |               |
| Salaries  |                         | 3,802               | 3,788         |
| Repairs and Maintenance                                 |                         | 1,221               | 827           |
| Equipment Rental  |                         | 576                 | 555           |
| Sewage Processing                                       | 9,897                   | 9,897               | 10,975        |
| Contracted Services                                     |                         | 13,910              | 13,204        |
| Depreciation  | 1,582                   | 2,929               | 2,779         |
| Utilities   | 180                     | 293                 | 195           |
| Other   | 1,590                   | 3,425               | 3,035         |
| <b>Total Operating Expenses</b>                         | <b>13,249</b>           | <b>36,053</b>       | <b>35,358</b> |
| Operating Income (Loss)                                 | (1,040)                 | (2,805)             | 4,672         |
| <b>Nonoperating Revenues:</b>                           |                         |                     |               |
| Interest  | 3,834                   | 4,568               | 3,392         |
| Taxes   | 30                      | 30                  | 26            |
| Grants  |                         | 1,180               | 722           |
| Gain on Disposal of Equipment                           |                         | 6                   |               |
| Other   | 30                      | 30                  | 83            |
| <b>Total Nonoperating Revenues</b>                      | <b>3,894</b>            | <b>5,814</b>        | <b>4,223</b>  |
| <b>Nonoperating Expenses:</b>                           |                         |                     |               |
| Interest on Long-Term Debt                              | 18                      | 18                  | 14            |
| Loss on Disposal of Equipment                           | 291                     | 323                 | 1,875         |
| Other   | 1                       | 1                   |               |
| <b>Total Nonoperating Expenses</b>                      | <b>310</b>              | <b>342</b>          | <b>1,889</b>  |
| Nonoperating Income (Loss)                              | 3,584                   | 5,472               | 2,334         |
| Income (Loss) Before Contributions and Transfers        | 2,544                   | 2,667               | 7,006         |
| Capital Contributions                                   | 124                     | (311)               |               |
| Operating Transfers In                                  |                         | 756                 |               |
| Operating Transfers (Out)                               | (32)                    | (583)               | (228)         |
| Net Income (Loss)                                       | 2,636                   | 2,529               | 6,778         |
| Depreciation on Grant Funded Fixed Assets               |                         | 586                 | 446           |
| Increase (Decrease) in Retained Earnings                | 2,636                   | 3,115               | 7,224         |
| <b>Retained Earnings</b>                                |                         |                     |               |
| Beginning Balance                                       | 75,568                  | 95,475              | 82,350        |
| <b>Retained Earnings - Ending Balance (Statement 6)</b> | <b>\$ 78,204</b>        | <b>98,590</b>       | <b>89,574</b> |

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**ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**Year Ended June 30, 2001**  
**With Comparative Figures for June 30, 2000**  
**(In Thousands)**

**STATEMENT 6B**

|   | AIRPORT         | LIQUID<br>WASTE | TRANSIT      |
|---|-----------------|-----------------|--------------|
| <b>Cash Flows from Operating Activities:</b>                                |                 |                 |              |
| Operating Income (Loss)   | \$ (1,032)      | 32              | (765)        |
| Adjustments to Reconcile Operating Income (Loss) to                         |                 |                 |              |
| Net Cash Provided by Operating Activities:                                  |                 |                 |              |
| Depreciation  | 745             | 16              | 586          |
| Decrease (Increase) in Accounts & Notes Receivable                          | (33)            | 8               | 101          |
| Decrease (Increase) in Prepaid Expense                                      |                 |                 |              |
| Decrease (Increase) in Due from Other Funds                                 | (625)           | 306             | 439          |
| Decrease (Increase) in Inventory of Material & Supplies                     |                 |                 |              |
| Increase (Decrease) in Accounts Payable                                     | (28)            | (1)             | 146          |
| Increase (Decrease) in Accrued Payroll                                      |                 | (3)             |              |
| Increase (Decrease) in Due to Other Funds                                   | 85              | 84              | (1,626)      |
| Increase (Decrease) in Due to Other Governments                             |                 |                 | 1,318        |
| Increase (Decrease) in Long-Term Debt Payable                               | (8)             | (29)            |              |
| Increase (Decrease) in Deferred Revenue                                     | 14              |                 |              |
| Other Revenues  |                 |                 |              |
| <b>Net Cash Provided (Used) by Operating Activities</b>                     | <b>(882)</b>    | <b>413</b>      | <b>199</b>   |
| <b>Cash Flows from Non-Capital Financing Activities:</b>                    |                 |                 |              |
| Loan Repayment from Other Agency  |                 |                 |              |
| Grants  | 1,679           |                 | (188)        |
| Loans to Other Funds  |                 |                 |              |
| Transfers from (to) Other Funds   | 463             | 87              |              |
| <b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>         | <b>2,142</b>    | <b>87</b>       | <b>(188)</b> |
| <b>Cash Flows from Capital and Related Financing Activities:</b>            |                 |                 |              |
| Acquisition of Fixed Assets   | (388)           | (10)            | (387)        |
| Proceeds from Sale of Equipment   |                 |                 | 6            |
| Grants  |                 |                 | 387          |
| Principal Paid on Long-Term Debt  |                 |                 |              |
| Interest Paid on Long-Term Debt   |                 |                 |              |
| Transfers from (to) Other Funds   | (345)           |                 |              |
| <b>Net Cash Provided (Used) by Capital and Related Financing Activities</b> | <b>(733)</b>    | <b>(10)</b>     | <b>6</b>     |
| <b>Cash Flows from Investing Activities:</b>                                |                 |                 |              |
| Interest  | 344             | 214             | 188          |
| Net Increase (Decrease) in Cash and Cash Equivalents                        | 871             | 704             | 205          |
| Cash and Cash Equivalents-Beginning of Year                                 | 4,181           | 724             | 2,618        |
| <b>Cash and Cash Equivalents-End of Year</b>                                | <b>\$ 5,052</b> | <b>1,428</b>    | <b>2,823</b> |
| <b>Noncash Investing, Capital Financing Activities:</b>                     |                 |                 |              |
| Acquisition of fixed assets   | \$ 87           |                 |              |
| Fixed Assets write-off  |                 |                 |              |
| Accrued Interest  | 69              | 47              | 38           |
| <b>Total Noncash Investing, Capital Financing Activities</b>                | <b>\$ 156</b>   | <b>47</b>       | <b>38</b>    |

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**ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**Year Ended June 30, 2001**  
**With Comparative Figures for June 30, 2000**  
**(In Thousands)**

|   | SANITATION<br>DISTRICTS | STATEMENT 6B (Cont)<br>TOTALS |                |
|---|-------------------------|-------------------------------|----------------|
|   |                         | 2001                          | 2000           |
| <b>Cash Flows from Operating Activities:</b>                                |                         |                               |                |
| Operating Income (Loss)   | \$ (1,040)              | (2,805)                       | 4,672          |
| Adjustments to Reconcile Operating Income (Loss) to                         |                         |                               |                |
| Net Cash Provided by Operating Activities:                                  |                         |                               |                |
| Depreciation  | 1,582                   | 2,929                         | 2,779          |
| Decrease (Increase) in Accounts & Notes Receivable                          | 591                     | 667                           | 501            |
| Decrease (Increase) in Prepaid Expense                                      |                         |                               |                |
| Decrease (Increase) in Due from Other Funds                                 | 11                      | 131                           | (705)          |
| Decrease (Increase) in Inventory of Material & Supplies                     |                         |                               | (9)            |
| Increase (Decrease) in Accounts Payable                                     | 30                      | 147                           | (1,018)        |
| Increase (Decrease) in Accrued Payroll                                      |                         | (3)                           | 20             |
| Increase (Decrease) in Due to Other Funds                                   | (199)                   | (1,656)                       | 1,962          |
| Increase (Decrease) in Due to Other Governments                             | (35)                    | 1,283                         | (1,339)        |
| Increase (Decrease) in Long-Term Debt Payable                               |                         | (37)                          |                |
| Increase (Decrease) in Deferred Revenue                                     |                         | 14                            | (358)          |
| Other Revenues  | 61                      | 61                            | 109            |
| <b>Net Cash Provided (Used) by Operating Activities</b>                     | <b>1,001</b>            | <b>731</b>                    | <b>6,614</b>   |
| <b>Cash Flows from Non-Capital Financing Activities:</b>                    |                         |                               |                |
| Loan Repayment from Other Agency  |                         |                               |                |
| Grants  |                         | 1,491                         | (1,209)        |
| Loans to Other Funds  |                         |                               | (1,036)        |
| Transfers from (to) Other Funds   | (32)                    | 518                           | (228)          |
| <b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>         | <b>(32)</b>             | <b>2,009</b>                  | <b>(2,473)</b> |
| <b>Cash Flows from Capital and Related Financing Activities:</b>            |                         |                               |                |
| Acquisition of Fixed Assets   | (223)                   | (1,008)                       | (2,998)        |
| Proceeds from Sale of Equipment   |                         | 6                             | 2              |
| Grants  |                         | 387                           | 1,934          |
| Principal Paid on Long-Term Debt  | (176)                   | (176)                         | (24)           |
| Interest Paid on Long-Term Debt   | (20)                    | (20)                          | (14)           |
| Transfers from (to) Other Funds   |                         | (345)                         |                |
| <b>Net Cash Provided (Used) by Capital and Related Financing Activities</b> | <b>(419)</b>            | <b>(1,156)</b>                | <b>(1,100)</b> |
| <b>Cash Flows from Investing Activities:</b>                                |                         |                               |                |
| Interest  | 3,811                   | 4,557                         | 3,063          |
| Net Increase (Decrease) in Cash and Cash Equivalents                        | 4,361                   | 6,141                         | 6,104          |
| Cash and Cash Equivalents-Beginning of Year                                 | 54,007                  | 61,530                        | 55,426         |
| <b>Cash and Cash Equivalents-End of Year</b>                                | <b>\$ 58,368</b>        | <b>67,671</b>                 | <b>61,530</b>  |
| <b>Noncash Investing, Capital Financing Activities:</b>                     |                         |                               |                |
| Acquisition of fixed assets   | \$ 21                   | 108                           | 749            |
| Fixed Assets write-off  | (291)                   | (291)                         | (1,856)        |
| Accrued Interest  | 826                     | 980                           | 971            |
| <b>Total Noncash Investing, Capital Financing Activities</b>                | <b>\$ 556</b>           | <b>797</b>                    | <b>(136)</b>   |

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